

**MINUTES**  
**December 5, 2002**

**Seattle City Employees' Retirement System**  
**Regular Board Meeting**

**Thursday, December 5, 2002 - 9:30 a.m.**  
**Seattle Metropolitan Credit Union**  
**Credit Union Board Room – 3<sup>rd</sup> Floor**

**Present:** Jan Drago, Norma McKinney, John Curtin, Mary Norris and Frank Mathews.

**Absent:** Dwight Dively and Lou Walter.

**Also Present:** Ken Leask – ARSCE, Eddie Haw – ARSCE, Walt North – ARSCE, Gwen Jensen, Jesse Tapp – ARSCE, Bill Farrell – ARSCE, Jim Coover – ARSCE, Linda Tollefson, Sonny Ortiz, Brenda Strickland, Ed Kidd – ARSCE, Kirk Jones – ARSCE, Jesse Howell, Duane Spofforth, Roger Howeler, Mel Robertson and Norm Ruggles.

**Public Comment:** Jim Coover invited the Board to the ARSCE Christmas Party being held at the Lake City Elks Club on December 11, 2002 at 11 a.m. Mary Norris read a letter from John Love describing the high cost of living and his need for an improved COLA. Jesse Howell spoke of increased living expenses and the need for an improved COLA. Jesse Tapp also spoke of the need for an improved COLA and his concern that the Funding Policy will defer any COLA improvements for too long. He discussed ARSCE's request that the 13<sup>th</sup> check be doubled, and said he had sent a letter to the Mayor. He said the Board should make COLA improvements a priority. Jan Drago spoke about the City budget process and the potential need to increase employee and employer contributions in 2004 if the funding level of the System does not show signs of improvement. Eddie Haw expressed his disappointment that the Board did not vote to double the 13<sup>th</sup> Check COLA and urged the Board to consider doubling it next year.

**Minutes:**

Upon motion by Frank Mathews, seconded by John Curtin, the Retirement Board approved the minutes from the October 3, 2002 Retirement Board meeting. *(There was not a quorum present at the November 7, 2002 meeting.)*

**Ratification of Retired Payroll, Office Payroll, other Billings and Withdrawals:**

**Information:** The following items represent normal expenses plus a 13<sup>th</sup> Check COLA of \$4,309,968.73 and monthly COLA increases of approximately of \$185,000.00.

Service	\$ 8,527,176.88
Disability	105,105.17
Beneficiary	1,348,290.07
<b>Pension Payroll – November 2002</b>	<b>\$ 9,980,572.12</b>

**Information:** The following items represent normal expenses and nothing extraordinary.

Service	\$ 4,843,722.27
Disability	54,146.03
Beneficiary	592,329.74
<b>Pension Payroll – October 2002</b>	<b>\$ 5,490,198.04</b>

<b>Office Payroll</b> - pay period ending September 24, 2002	\$ 21,811.99
<b>Office Payroll</b> - pay period ending October 8, 2002	\$ 19,824.69
<b>Office Payroll</b> - pay period ending October 22, 2002	\$ 20,122.63
<b>Office Payroll</b> - pay period ending November 5, 2002	\$ 18,742.30
<b>Office Payroll</b> - pay period ending November 19, 2002	\$ 19,996.16

**Vouchers Processed** - from November 1, 2002 through November 26, 2002 \$ 17,711.90 \*

\* \$ 0.00 Expert and Consultant Services

**Vouchers Processed** - from September 26, 2002 through October 31, 2002 \$ 31,437.73 \*

\* \$ 0.00 Expert and Consultant Services

**Action:** The Executive Director recommends Board approval.

### Immediate Withdrawal of Contributions

<b><u>Member</u></b>	<b><u>Department</u></b>	<b><u>Position</u></b>
Atkins,Michelle J	Parks	Life Guard
Bigham,Ramona Bardwell	Library	Training & Dev Officer
Bradley,Heidi Genevieve	SEATRAN	Engineering Aide
Burch,Monica R	Muni Court	Admin Spec II
Farnam,Mark A	Parks	Laborer
Godfrey,Jamila Martin	Parks	Rec Leader
Grant,Nazarene	TES	Accounting Tech II
Jacobs Jr.,Jerome A	Muni Court	Court Cashier
James,Shawna P	Parks	Admin Spec I
Johnson, Marlene E.	Police	Police Data Tech
Kramer,Paul	Seattle Center	Civil Engr Spec Assoc
McKinney,Alana K	Muni Court	Admin Spec II
Moody,LaTreviet D. S.	Park	Rec Leader
Rollins,Kirk D	Seattle Center	Water Pipe Worker
Smith,Vishaka	DCLU	Land Use Planner
Thrush,Jonah K	Parks	Laborer
Woodfork,Stanley Wayne	SEATRAN	Engineering Aide
Zetino, Jose E.	Seattle Center	Laborer
Arenas,Sonya Joan	TES	Admin Support Asst
Burai,Sarah R	Library	Library Assoc I
Burke, Yvonne	KC Health	Child Care Specialist
Burnett,Sharon L	Parks	Rec Leader
Carter,Linda J	DHHS	Counselor
Chamberlin, Stephen	TES	Accountant
Cobbin,Tracy A	ESD	Animal Control Officer II
Comstock,Richard M	Light	Information Technology
Corrales-Diaz, Mary Helen	Seattle Center	Stage Tech, Lead
Duchesneau,Jacki Ann	Police	Police Comm Dispatcher I
Durham,Andrew James	Seattle Center	Civil Engr Asst
Edwards,Penny Marie	Police	Admin Spec I
Frazier-Jennings,Nakeesa M	Muni Court	Admin Spec II
Hammon,Lajwan L	Muni Court	Admin Spec I
Hannay,Mark A	Muni Court	Court Clerk
Hatch,Kelly	Police	Victim Advocate
Hunter,Michelle J	Police	Parking Enforcement Officer
Jackson,Andrea L	DHHS	Human Service Coordinator
Mahony,Joseph Patrick	TES	System Analyst
Mills, Lorel Joyce	Muni Court	Admin Support Asst
Mitchell,Jennifer Maria	DHHS	Admin Spec I
Moore,Teri Anne	Library	Dev Officer
Mouritsen,Jim L	Law	Paralegal
Sampson,Relasha C	Legislative	Admin Spec I

Scoggins,Joan F	Muni Court	Admin Support Supervisor
Spies,Angela R	Fire	Admin Spec I
Tribolini,Susan C	Personnel	Training & Dev Prog Coord
Turner,Allison Schmieler	Neighborhoods	Admin Spec II
West, Geylar Sherel	SPU	Admin Spec II
Williams,Denise	Seattle Center	Environment Analyst Sr
Wilson, Brenda Sparrow	Arts Commission	Admin Spec I
Wymore,Laura Love	Parks	Bio-Tech

Upon motion by Norma McKinney, seconded by Frank Mathews, the Board ratified the Retired Payroll, Office Payroll, other Billings and Withdrawals.

### **Ratification of Service Retirements:**

**Information:** The following list represents the retirements that have been processed since the last Retirement Board meeting.

<u>Member</u>	<u>Retired</u>	<u>Years</u>	<u>Days</u>	<u>Department</u>	<u>Position</u>	<u>Age</u>	<u>Option</u>
<b>November</b>							
Adams, Sally K.	10/01/2002	26	0	Muni Courts	Court Cashier	54	B,F
Anderson, Rita M.	09/25/2002	22	40	SPU	Material Controller	79	A,G-50
Barchenger, Bruce R.	11/01/2002	25	222	Fleets	Auto Mechanic	60	C20
Baxter, Anthony P.	11/01/2002	2	235	Dual Member	Vested	53	E
Bierlein, John K.	10/01/2002	30	0	Parks	Manager II	51	E,F
Call, Priscilla N.	10/01/2002	24	62	ESD	Strategic Advisor II,	52	D
Cole, Carla	10/01/2002	10	1	Legislative	Public Relations Specialist,	57	S
Crawford, Mary A.	10/01/2002	27	214	Muni Courts	Court Cashier	56	S
Davis, George	06/06/2002	15	29	SPU	Bridge Maint. Mech Helper	55	I
Dinsmore, Jerry W.	11/03/2002	5	0	SPU	Senior Mechanic	62	S
DuRall, Richard	10/04/2002	1	20	Dual Member	Vested	65	E
Edris, Carol	10/01/2002	21	138	Police	Administrative Specialist I	59	S
El-Amin, Rashad A. L.	10/01/2002	25	240	SPU	Civil Engineering Spec Asst	59	E
Faste, Andrea M.	10/01/2002	15	0	ESD	Weatherization Outreach	57	D
Fewel, John	10/01/2002	30	230	SPU	Super. Civil Engineering	53	E
Garcia, Robert E.	11/02/2002	30	19	City Light	Sr. Electrical Service	58	S,G-100
Hale, Jack	11/01/2002	30	31	SEATRAN	Construction Maintenance	57	D
Hodges, Darlene M.	10/01/2002	20	250	SPU	Utility Account Rep I	60	C5,F,G-50
Hoke, Richard	10/01/2002	30	0	Parks	Truck Driver	47	D
Kabakjian, Linda	10/01/2002	25	142	ESD	Administrative Specialist III	63	S,G-100
Knudtson, James H.	10/21/2002	28	108	Fleets	Vested	52	C20,F
Lau, Sandra G.	10/01/2002	26	111	Police	Administrative Services	60	B
Lord, Victoria A.	10/01/2002	21	21	Parks	Administrative Specialist I	55	B
Mason, Sabiha D.	10/01/2002	16	210	SPU	Mgmt Systems Analyst	57	C5
Mayberry, William C.	10/01/2002	20	198	Parks	Security Programs Specialist	64	S,G-50
McBride, Margie	10/01/2002	7	53	ESD/Dual	Risk Management Analyst	58	S
McClinton, James	10/01/2002	20	197	DCLU	Boiler and Pressure	58	C10
McMullen, Daniel B.	10/01/2002	28	314	SPU	Civil Engineer/Assistant II	68	E
Nungesser, Gordon L.	10/01/2002	30	0	Fleets	Auto Mechanic	52	C20
O'Brien-Murphy, Peggy	10/01/2002	21	285	Human Services	Administrative Staff	60	D
Papanastasiou, John G.	09/27/2002	30	84	SPU	Associate Civil Engineer	65	S,G-100
Rouleau, Gary E.	10/01/2002	26	98	Fleets	Auto Mechanic	59	C15,F
Rustia, Agueda	10/01/2002	25	220	SPU	Administrative Support	79	C5,G-100
Rydalch, Alyse	10/25/2002	18	14	Dual Member	Vested	56	S
Secrettie, James A.	09/25/2002	30	0	Parks	Plumber	50	C20
Shek, Johnny	10/01/2002	26	1	Parks	Mgmt Systems Analyst Sr.	54	C20,F,G-10
Sherwin, Gail	10/01/2002	30	0	SPU	Sewer Utilities	48	C20,G-100
Sifferman, Carolyn J.	10/01/2002	30	0	Parks	Truck Driver	45	C5
Singleton, Susan E.	10/01/2002	20	160	Parks	Utility Laborer	56	S
Smith, Gloria J.	10/01/2002	30	0	DHHS	Community Dev Spec/Sr	56	S
Smith, Jerald G.	10/01/2002	30	0	Parks	Maintenance Laborer	54	S

Sunde, Violet	10/01/2002	30	88	Parks	Zoo Keeper	56	B,F
Sutton, Paul	10/01/2002	12	139	City Light	Rights of Way Maintenance	62	C10
Taylor, James B.	10/01/2002	25	1	DoIT	Data Network Manager	58	S,F
Tollefson, Linda G.	10/01/2002	29	193	ESD	License Inspector	60	S,F
Wang, Eugene C.	10/01/2002	29	47	SPU	Civil Engineer, Sr.	60	C20,G-100
Wiley, Linda	10/01/2002	23	151	SPU	Supervisor/Mgmt Systems	52	C20

**October**

Allen, Frank R.	09/27/2002	31	28	SPU	Senior Waste Pipe Worker	59	A,G-50
Ames, Janice L.	09/21/2002	30	216	Library	Director Of Special Services	73	B
Banks, Arthur L.	10/01/2002	20	0	Parks	Teen Development Leader	53	D
Barrow, Eugene	10/01/2002	22	121	Police	Latent Fingerprint	62	S
Bockman, John D.	08/02/2002	10	32	Neighborhoods	Planning & Devel Spec I	60	C10
Brix, Steven W.	09/07/2002	30	0	Parks	Truck Driver	50	C20
Bryant, Clare	10/01/2002	22	255	Executive Dept	Admin Spec II	61	S,F
Chang, Yeong	10/01/2002	29	0	ESD	Tax Auditor	55	C20
Connally, Vernon R.	10/03/2002	31	154	SPU	Executive 2	51	E
Craft, Janet	10/01/2002	34	117	Parks	Executive 1	58	E
Craft, Kenneth E.C.	10/01/2002	30	1	Parks	Truck Driver	58	E
Curtin, Constance	10/01/2002	30	0	Police	Management Analyst/Super	50	C20,F
Davidson, Gordon	09/11/2002	26	56	Law	Senior Assistant City Attny	59	E
Dehlendorf, Susan S.	10/01/2002	23	33	OED	Manager 2	56	C10,F
Dupree, James L.	10/01/2002	30	71	City Light	Admin Support Assistant	61	A,G-50
Elder, Patricia	10/01/2002	24	8	Parks	Manager 2	56	S
Fairbanks, William	09/21/2002	30	4	SPU	Disposal Crew Chief I	48	C5,G-50
Foster, Jane A.	09/18/2002	13	187	DCLU	Housing/Zoning Tech	62	S,F
Fuentes, Natalie	10/01/2002	16	80	Parks	Accounting Tech III	61	A,G-50
Funderburke, Steven	09/11/2002	27	5	Metro Transit	Transit Operator	55	S,G-100
Furtado, Umberto	09/25/2002	18	205	Police	Identification Tech	67	B
Glynn, Bernard J.	10/01/2002	12	346	Law	Assistant City Attorney	57	S,F
Greene, Janice	10/01/2002	30	331	SPU	Customer Response Director	50	S
Hager, Karin	10/01/2002	31	232	Retirement	Accountant	57	E
Hamlet, Freddie M.	10/01/2002	30	0	Police	Supervisor/Community Svc	57	S,G-100
Harding, Melvin W.	10/01/2002	25	263	Parks	Utilities Laborer	62	S,G-50
Hartman, Katherine	08/27/2002	16	258	ESD	Licenses & Std Inspector	60	S
Havens, Georgia	10/01/2002	25	277	DCLU	Personnel Specialist	53	A,F
Henry, Nelson B	10/01/2002	6	39	Parks	Counselor	65	S
Jennings, Daniel	10/01/2002	30	0	Parks	Golf Course Technician	48	C20
Keyes, Robert J.	10/01/2002	42	120	Fleets	Auto Mechanic	65	C15
Kimbrough, Jerry L.	10/01/2002	20	183	Parks	Equipment Operator	59	S,G-50
Lewing, William	10/01/2002	35	328	City Light	Elect Constr & Maint Super	63	D,G-100
Lin, Li Ping	07/12/2002	14	206	DAS	Systems Analyst	53	19b
Linstead, Donna	10/01/2002	20	0	Finance	Civil Rights Analyst	69	C5
Mackenzie, Janet	10/01/2002	26	315	Human Services	Planning & Devel Spec II	65	S
Mayovsky, Gary J.	09/25/2002	27	187	Seattle Center	Electrician	59	S
McLeod, Bruce	09/21/2002	21	200	Fleets	Real Property Agent Sr	55	D
Nagan, Michael	09/25/2002	24	26	DoIT	Law Safety & Just. Info Officer	59	B
Newman, Robert L.	10/01/2002	22	231	DCLU	Senior Elevator Inspector	68	E
Nizich, Dolores	09/10/2002	10	1	City Light	Manager II	57	B
Norvell, Carlis L.	10/01/2002	30	27	Finance	Animal Control Officer	52	C20,F,G-100
O'Brezar, Rick	09/03/2002	30	0	City Light	Sr. Mgmt Systems Analyst	48	C15
Odland, Lois	09/11/2002	27	58	SPU	Administrative Staff Asst	63	D,G-50
Peachey, Nancy	10/01/2002	20	0	Law	Admin Specialist I	56	C10,G-100
Peffer, Lou-Ellen	10/01/2002	23	1	DCLU	Permit Process Leader	60	C5
Peterson, Perry	09/16/2002	24	359	Police	Dispatcher	56	C10
Pontow, Roger	09/25/2002	31	249	City Light	Elect Constr Maint Super	51	E
Robbins, Bette	10/01/2002	27	270	SPU	Strategic Advisor 2	55	S
Saindon, Robert	09/11/2002	25	355	SPU	Heavy Truck Driver	60	E
Shaw, Timothy J.	10/01/2002	30	286	Police	Crime Prevention Coord	52	S,G-100
Smoke, Larry G.	10/01/2002	30	0	Police	Community Service Officer	50	E,G-100

Snowden, Morris D.	09/25/2002	30	351	Fleets	Asst Facilities Maint Super	61	E,G-100
Sutton, Miriam	09/25/2002	25	1	Police	Dispatcher II	55	S,F
Vander Veen, G.A.	10/01/2002	18	213	City Light	Admin Spec II	65	S,G-50
VanHise, Martha	10/01/2002	30	0	City Light	Auto Engineering Aide	54	C10
Varekamp, Donald	10/01/2002	30	1	Parks	Grounds Maintenance CC	50	D,F
Vaughn, Edward	10/01/2002	26	316	Retirement	Accounting Technician I	58	B,G-50
Vengler, Sue A.	10/01/2002	25	7	City Light	Truck Driver	55	S,F
Wise, Lawrence	09/25/2002	19	359	Police	Admin Spec III	62	E
Wong, Andrew	10/05/2002	19	18	City Light	Power Analyst	57	C15
Wood, Roger D.	10/01/2002	21	343	Finance	Buyer	61	D,G-50

Upon motion by Jan Drago, seconded by Norma McKinney, the Retirement Board approved the service retirements listed above, pending final review.

### **Ratification of Investment Transactions and Statement of Securities and Cash:**

Upon motion by Frank Mathews, seconded by Mary Norris, the Retirement Board approved the Investment Summary report.

### **Investment Committee Report:**

It was announced that the Investment Committee meeting for December has been cancelled.

The Investment Committee met with the Advisory Committee, Wurts & Associates, Mel and Norm on November 26, 2002 to review the investment performance report for third quarter 2002.

Norm and Mel presented a revised Investment Policy that included input from a variety of sources including Board members, committee members, attorneys, consultants, and staff. The Board requested that the reference to "prudent man" be changed to "prudent person"; staff will make the revision.

Upon motion by Frank Mathews, seconded by John Curtin, the Retirement Board approved the Investment Policy as revised.

### **Executive Director Report:**

The following summarizes the Executive Director's monthly report to the Board:

Norm distributed and discussed the 2003 schedule of dates for Board meetings, Investment Committee meetings, and Quarterly Investment Performance Reviews. The January Board meeting will be held on January 9, 2003.

Norm said the annual COLA adjustments were made in the December 1, 2002 retiree payroll, and he handed out copies of the November 25, 2002 letter of explanation that was sent to all retirees.

Norm handed out copies of the November 13, 2002 memorandum sent to all current employees reminding them of the December 31, 2002 deadline for redeposits of withdrawn funds at the more favorable rate of interest. The reminder stimulated a large number of member inquiries about redeposits and the other buyback opportunities.

Norm reported that the retirement aspects of the City Separation Incentive Program (SIP) are winding down, and that the retirement deadline under the Zoo Separation Incentive Program was December 3, 2002. There appear to be a relatively large number of Zoo employees who have not yet decided what to do with their retirement accounts.

Norm explained that the IRS has issued a favorable determination letter for the City Retirement Plan, but the IRS requested one technical amendment to the Plan be made regarding the time by which retirement benefits must

commence. The Ordinance making this amendment passed through Councilmember Drago's Finance, Budget, Business and Labor Committee yesterday, and will now go to City Council for approval.

Mel explained staff's recommendation that the Retirement System enter into a multiple year contract with the Deloitte and Touche firm for auditing services. Mel described the RFP process and said only one other firm submitted a proposal, and that firm lacked experience in performing the audit services required by the Retirement System. Mel described the proposed fees. After hearing Mel's presentation and asking questions, Jan Drago made a motion, seconded by Frank Mathews, to authorize the Executive Director to execute a contract with Deloitte and Touche for audit services. The motion was approved unanimously.

## **Old Business:**

### **(1) Status of Benefit Enhancements**

Jan informed the Board that the estimated current funding level of the Retirement Fund is 74.09% as of October 31, 2002.

Mary Norris thanked Norm and the staff for all the work that was done processing this year's COLA adjustments and the 13<sup>th</sup> Check COLA. Norm said the credit goes to Mel for his efforts.

Jesse Tapp asked about the cost of doubling the 13<sup>th</sup> Check COLA and how much additional cash would be required to do this, since those who retired in 1981, or before, already receive the Floor COLA. Staff will research this and report back at the next meeting.

## **New Business:**

### **(1) Linda G. Tollefson appeal of SIP deadline.**

Norm Ruggles introduced Linda G. Tollefson to the Board. He explained that Ms. Tollefson is appealing to the Board a position taken by the Retirement Office. He distributed to the Board copies of documents numbered pages 1 through 11 as agreed by Ms. Tollefson and Norm. He summarized the documents and events leading to this appeal. Under the City Separation Incentive Program (SIP), a participating employee could purchase up to four years of retirement service credit. Ms. Tollefson retired under the SIP on October 1, 2002, and wanted to purchase 172 days of credit to reach 30 years of service. The deadline established by the SIP for the purchase of credit was October 18, 2002. Ms. Tollefson submitted a check on October 30, 2002, along with a letter (pages 1 and 2). Norm sent a reply on November 1, 2002 (pages 5 and 6), returning the check and explaining that Ms. Tollefson had missed the deadline under SMC 4.36.120 D.1. Ms. Tollefson then appealed to the Board (pages 7 and 8).

Ms. Tollefson then addressed the Board and presented her request to be allowed to buy 172 days of retirement service credit under the provisions of the SIP. She gave the Board additional documents lettered A through F. Although she has retired under the SIP with 29 years and 193 days of service, she wished to be able to buy the extra days to be able to retire with 30 years of service credit. She acknowledged that the ordinance does not provide discretion but petitioned the Board to find a way to extend the deadline for her so she may buy the time she is seeking. She said she had 26 or 27 days from the time of receiving her retirement estimate to make her decisions. She did not dispute being told and being reminded of the deadline for the purchase of service credit. She said she received a reminder letter, too, although she did not open it until the deadline had passed. Even though she did complete transactions paying additional funds to her City deferred compensation account, the deadline for buying the retirement service credit slipped by before she purchased the time. She then explained that she has been dealing with serious health issues for herself and her daughter and explained how complicated,

confusing and overwhelming the SIP and retirement process had been for her. She asked the Board to consider the situation she was facing and find a way to allow her to buy the additional service credit. Co-workers Brenda Strickland and Sonny Ortiz accompanied Ms. Tollefson and both provided an excellent character reference for her. Ms. Strickland spoke of how Ms. Tollefson was taking care of her daughter and the needs of her daughter's family, along with her own health needs, while working full-time and trying to deal with the SIP and retirement processes at the same time. She asked the Board to have empathy for Ms. Tollefson. Mr. Ortiz spoke of how his mother recently retired and how overwhelming the SIP and retirement process had been.

After all comments had been presented, the Board discussed the appeal, and decided to consider this request further and to postpone any action until the next meeting.

### **Adjournment**

Upon motion by Jan Drago, seconded by Norma McKinney, the Retirement Board voted to adjourn the meeting at 11:29 a.m.

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Norma McKinney, Secretary